

Amendment No. 2 to SB1954

Stanley
Signature of Sponsor

AMEND Senate Bill No. 1954*

House Bill No. 1698

by adding the following language as a new section immediately prior to the last section:

SECTION ____.

(a) Tennessee Code Annotated, Section 65-5-109(c), is amended by deleting the language "June 6, 1995" and by substituting instead the language "January 1, 2009" and is further amended by adding the following language at the end of the subsection:

Nothing in this section shall require a company that has elected price regulation prior to 2009 to reapply for price regulation or to reset its rates under its price regulation plan. Such a company is entitled, in its sole discretion, to the 1995 rates upon which its original election was based or may base its price regulation calculation upon rates in effect as of January 1, 2009.

(b) Tennessee Code Annotated, Section 65-5-109(h), is amended by deleting the language "June 6, 1995" and by substituting instead the language "January 1, 2009" and is further amended by adding the following language at the end of the subsection:

"; provided however, such maximum rate shall not apply to companies becoming subject to such regulation after June 1, 2009."

(c) Tennessee Code Annotated, Section 65-5-109(j), is amended by adding the following language at the end of the subsection:

"; provided however, such an audit shall not be conducted for a local exchange telephone company electing price regulation after June 1, 2009."

(d) Tennessee Code Annotated, Section 65-5-109, is amended by adding the following as a new, appropriately designated subsection:

() Notwithstanding any other laws to the contrary, including, but not limited to, subsections (c) and (j), the earnings of an incumbent local exchange

company operating under rate of return regulation shall not be considered in setting initial rates under this section for an incumbent local exchange company implementing a price regulation plan after January 1, 2009.